

Before The
Federal Communications Commission
Washington, D.C. 20554

RECEIVED

OCT 11 1994

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

In the Matter of:

Policies and Rules Implementing
the Telephone Disclosure and Dispute
Resolution Act

CC Docket No. 93-22

DOCKET FILE COPY ORIGINAL

COMMENTS

Allnet Communication Services, Inc. (Allnet) hereby files these comments
in the above-referenced proceeding in CC Docket No. 93-22.

**I. THE COMMISSION SHOULD ADOPT RULE CHANGES WHICH
EXPLICITLY PROHIBIT THE ASSESSMENT OF CHARGES TO THE
ORIGINATING CALLER FOR ANY 800 CALLS**

As will be discussed herein, the Commission's proposed rule amendments
do not go far enough to protect consumers. The existing rules should be modified
to explicitly prohibit originating users from being assessed any charges for calls
made over 800 telephone numbers. The future viability of "toll-free" 800 service is
at stake.

On August 31, 1994, the Commission released its Order on Reconsideration
and Further Notice of Proposed Rule Making ("Recon Order and FNPRM"). In
the Recon Order and FNPRM, the Commission proposes to amend Section 64.1504
of the rules to "state explicitly, as we clarified in paragraph 19, supra, that the
section protects not only callers to 800 numbers, but also subscribers whose
telephone line may be used to place calls to 800 number information services."
[Recon Order and FNPRM at ¶28] In addition, the Commission proposes to
amend Section 64.1504(b) of the rules to "state that 800 numbers may not be used to
connect callers to any information service that is not provided under a
presubscription or comparable arrangement, even though such calls may already
be prohibited under Section 64.1504(a)." [Recon Order and FNPRM at ¶28]

No. of Copies rec'd
List ABCDE

0+9

Allnet believes that the Commission's proposed modifications do not go far enough to protect consumers. By creating a two-tier structure for 800 calls (i.e., those that are truly "toll-free," and those that are not "toll-free" by virtue of presubscription arrangements), users will not clearly know whether they will be charged or not charged for making an 800 call. This uncertainty ultimately leads to apprehensions and negative perceptions about 800 calling. It is also in conflict with the general expectation that 800 calls are "toll-free." In order to develop, and maintain positive perceptions concerning 800 calling, the Commission should not permit any type of call billing via presubscription (or otherwise) for 800 calls to the caller. Simply by removing the possibility that any calls made using 800 services would be charged to the originating caller, the uncertainty and the resulting negative perception regarding the nature of a particular 800 call (i.e., is it really toll-free?), can be avoided.

Without a blanket prohibition, companies will find other loopholes in any proposed rules allowing them to evade the intent of any presubscription arrangement/payment/collection requirements.¹ The Commission has the ability in this FNPRM to revise the existing rules and remove any 800 information services presubscription/payment arrangements, and to explicitly prohibit the assessment of any charges to the originating caller for any 800 calls.

Allnet does not believe the remainder of the proposed amendments set out in ¶29 are necessary if the Commission implements the explicit prohibition on charging originating callers for any 800 calls.

¹In foot note 41 of the Recon Order and FNPRM, the Commission notes that carriers are violating the rules prohibiting instantaneous access to information service by the use of telephone company calling cards used exclusively to provide instantaneous access to information services in clear violation of the TDDRA's intent.

II. COMMENTS ON THE ALTERNATIVE

Should the Commission not agree that the best way to ensure that the public's perception that 800 calls are "toll free" is to explicitly prohibit the assessment of any charges for 800 calls to the originating caller, then Allnet offers the following comments on the remainder of the Commission's proposed amendments set out in ¶29.

The Commission, in ¶ 29, proposes to modify the definition of a "presubscription or comparable arrangement" contained in Section 64.1501(b) to "require that such arrangements be established only with a legally competent individual and executed in writing, unless charges are authorized to a credit card or charge card generally accepted for the purchase of consumer goods, entertainment, travel and lodging." Allnet supports this proposed modification. However, the Commission should add the words "by multiple, independent vendors" between the words "accepted" and "for" so that the rule would read "... generally accepted by multiple, independent vendors for the purchase ..." This modification ensures that an information provider (IP) does not create their own "credit card" or "charge card" which may only be used at either a single location or vendor, or at an affiliated company of the IP. Without this modification, the IP might be viewed as technically in compliance with the proposed rule by employing its own single vendor credit card.

Further, the Commission proposes to amend Section 64.1510(b) to

"... prohibit common carriers from billing subscribers for presubscribed information services without evidence of the written agreement. The amendment would also require carriers to address bills assessing presubscribed information services charges only to the individual who entered into the presubscription agreement. Finally, carriers performing billing services for IPs would be required, without exception, to separate

charges for presubscribed information services from charges for telecommunication services and to display for each information service charge: (1) the type of service and the service provider's name and business telephone number; (2) the telephone number actually called; (3) the amount of the charge; (4) the date and time of the call, and for calls billed on a time-sensitive basis, the duration of the call." [Recon Order and FNPRM at ¶29]

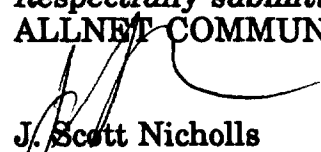
Allnet supports the intent of the Commission's proposed amendments.

However, the burden of these amendments could be eliminated if the Commission simply barred such billing by carriers, as proposed above. Thus, it makes good economic sense that the Commission adopt a requirement that all charges be billed to a credit/charge card.

III. CONCLUSION

For the reasons set forth herein, the Commission should adopt its proposed changes in Section 64.1504. However, the Commission should modify the existing rules to explicitly prohibit common carriers or others, from assessing any charges on the originating caller for calls made to an 800 number. In the alternative, Allnet provides comments on the proposed changes to Section 64.1501 and Section 64.1510, and urges that the Commission only allow information services calls to be charged to a credit/charge card.

Respectfully submitted,
ALLNET COMMUNICATION SERVICES, INC.


J. Scott Nicholls
Manager of Regulatory Affairs
1990 M Street, NW, Suite 500
Washington, D.C. 20036
(202) 293-0593

Dated: October 10, 1994

CERTIFICATE OF SERVICE

I, J. Scott Nicholls, have caused to be served, a copy of the foregoing Comments to the parties below, on this 10th Day of October, 1994.



J. Scott Nicholls

Secretary*
FCC
1919 M Street
Washington, D.C. 20554

(Original and 9 copies)

ITS*
FCC Contractor
1919 M Street
Washington, D.C. 20554

* indicates service by hand.